

# CHINO BASIN WATERMASTER



## NOTICE OF MEETINGS

**Thursday, May 27, 2010**

11:00 a.m. – Watermaster Board Meeting

*Lunch will be served*

***AT THE CHINO BASIN WATERMASTER OFFICES***

*9641 San Bernardino Road  
Rancho Cucamonga, CA 91730  
(909) 484-3888*



# CHINO BASIN WATERMASTER

Thursday, May 27, 2010

11:00 a.m. – Watermaster Board Meeting

## AGENDA PACKAGE



**CHINO BASIN WATERMASTER  
BOARD MEETING**

11:00 a.m. – May 27, 2010

WITH

*Mr. Ken Willis, Chair, Appropriative Pool  
Mr. Michael Camacho, Vice-Chair, Municipals*

**At The Offices Of**

**Chino Basin Watermaster**  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

**AGENDA**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

**I. CONSENT CALENDAR**

**Note: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by one motion in the form listed below. There will be no separate discussion on these items prior to voting unless any members, staff, or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.**

**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held April 22, 2010 *(Page 1)*

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of March 2010 *(Page 5)*
2. Watermaster Visa Check Detail for the month of March 2010 *(Page 9)*
3. Combining Schedule for the Period July 1, 2009 through March 31, 2010 *(Page 11)*
4. Treasurer's Report of Financial Affairs for the Period March 1, 2010 through March 31, 2010 *(Page 13)*
5. Budget vs. Actual July 2009 through March 2010 *(Page 15)*

**C. BANK OF AMERICA**

1. Bank of America Visa Request to Appoint Joe Joswiak, CFO as Authorized Agent at Chino Basin Watermaster with a Credit Limit of \$10,000.00 for the Visa Account No. XXXX-XXXX-XXXX-9341

**D. WATER TRANSACTION**

1. **Consider Approval for Notice of Sale or Transfer** – Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage. Date of Application: March 5, 2010 *(Page 17)*

2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account. Date of Application: February 22, 2010 (*Page 27*)
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010 (*Page 37*)
4. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,000.000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO). Date of Application: March 18, 2010 (*Page 47*)
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. Date of Application: March 3, 2010 (*Page 57*)
6. **Consider Approval for Notice of Sale or Transfer** – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. Date of Application: March 31, 2010 (*Page 67*)

## II. BUSINESS ITEMS

### A. **AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE**

Consider Approval of Amendment No. 1 to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program) - (*Page 79*)

### B. **BUDGET TRANSFER**

Consider Budget Transfer Request T-10-05-01 relating to Watermaster Legal Fees, OBMP Engineering Services and MZ-1 Ground Level Monitoring (*Page 87*)

## III. REPORTS/UPDATES

### A. **WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion
2. ACL Complaint
3. CDA Facilitation

### B. **CEO/STAFF REPORT**

1. Legislative Update
2. Recharge Update
3. 2010-2011 Watermaster Budget
4. Agreement to Form a Task Force to Conduct the Annual Emerging Constituents Characterization Program for the Santa Ana River Watershed
5. Chino Creek Well Field Locations

## IV. INFORMATION

1. Newspaper Articles (*Page 93*)

## V. BOARD MEMBER COMMENTS

**VI. OTHER BUSINESS**

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. Consideration of Settlement Agreement with RWQCB Regarding Administrative Civil Liability Complaint No. R8-2010-0013

**VIII. FUTURE MEETINGS**

Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, June 3, 2010	1:00 p.m.	Appropriative Pool Meeting @ CBWM
Thursday, June 3, 2010	2:30 p.m.	Non-Agricultural Pool Meeting @ CBWM
Thursday, June 10, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
Thursday, June 17, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, June 17, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
<b>Friday, June 18, 2010</b>	<b>10:30 a.m.</b>	<b>CBWM Court Hearing @ Chino Court Room C1</b>
Thursday, June 24, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**Meeting Adjourn**

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### A. MINUTES

1. Watermaster Board Meeting held on April 22, 2010



***Draft Minutes***  
**CHINO BASIN WATERMASTER**  
**WATERMASTER BOARD MEETING**  
*April 22, 2010*

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on April 22, 2010 at 11:00 a.m.

**WATERMASTER BOARD MEMBERS PRESENT**

Ken Willis, Chair  
Michael Camacho  
Charles Field  
Bob Kuhn  
Michael Whitehead  
Bob Bowcock  
Tom Haughey  
Geoffrey Vanden Heuvel  
Paul Hofer

West End Consolidated Water Company  
Inland Empire Utilities Agency  
Western Municipal Water District  
Three Valleys Municipal Water District  
Fontana Water Company  
Vulcan Materials Company  
City of Chino  
Agricultural Pool  
Agricultural Pool

**Watermaster Staff Present**

Kenneth R. Manning  
Joe Joswiak  
Ben Pak  
Danielle Maurizio  
Sherri Lynne Molino

Chief Executive Officer  
Chief Financial Officer  
Senior Project Engineer  
Senior Engineer  
Recording Secretary

**Watermaster Consultants Present**

Scott Slater  
Michael Fife  
Mark Wildermuth

Brownstein, Hyatt, Farber & Schreck  
Brownstein, Hyatt, Farber & Schreck  
Wildermuth Environmental, Inc.

**Others Present Who Signed In**

Terry Catlin  
Brian Geye  
Eunice Ulloa  
Marty Zvirbulis  
Jo Lynne Russo-Pereyra  
Mark Kinsey  
David DeJesus  
Steve Kennedy  
Robert Young  
Steven G. Lee  
Jennifer Novak  
Jeff Pierson  
Bob Feenstra  
Pete Hall  
Tom Harder  
Ken Jeske  
Scott Burton  
Raul Garibay  
Dave Crosley  
Ben Lewis  
Erin Gilhuly

Inland Empire Utilities Agency  
Auto Club Speedway  
Chino Basin Water Conservation District  
Cucamonga Valley Water District  
Cucamonga Valley Water District  
Monte Vista Water District  
Three Valleys Municipal Water District  
Three Valleys Municipal Water District  
Fontana Union Water Company  
Reid & Hellyer for the Agricultural Pool  
State of California, Dept. of Justice, CIM  
Ag Pool – Crops  
Dairy  
State of California – CIM  
Jurupa Community Services District  
City of Ontario  
City of Ontario  
City of Pomona  
City of Chino  
Golden State Water Company  
CV Strategies



Jack Safely  
John Rossi  
Robert Tock  
Gary Meyerhofer  
John Mura

Western Municipal Water District  
Western Municipal Water District  
Jurupa Community Services District  
Carollo Engineering  
City of Chino Hills

Chair Willis called the Watermaster Board meeting to order at 11:00 a.m.

**PLEDGE OF ALLEGIANCE**

**AGENDA - ADDITIONS/REORDER**

Mr. Manning noted due to the ACWA Conference the week of the scheduled Appropriative and Non-Agricultural Pool meetings, those two meetings have changed to May 13, 2010 at the same times.

**I. CONSENT CALENDAR**

**A. MINUTES**

1. Minutes of the Watermaster Board meeting held February 25, 2010
2. Minutes of the Watermaster Board meeting held March 25, 2010

**B. FINANCIAL REPORTS**

1. Cash Disbursements for the month of February 2010
2. Watermaster Visa Check Detail for the month of February 2010
3. Combining Schedule for the Period July 1, 2009 through February 28, 2010
4. Treasurer's Report of Financial Affairs for the Period February 1, 2010 through February 28, 2010
5. Budget vs. Actual July 2009 through February 2010

*Motion by Camacho, second by Willis and by unanimous vote  
**Moved to approve item A2, as presented***

*Motion by Camacho, second by Willis and by majority vote – Bowcock voted no  
**Moved to approve items A1 through B5, as presented***

**II. BUSINESS ITEMS**

**A. AGREEMENT TO FORM A TASK FORCE**

No motion was made regarding this item.

**B. AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE**

No motion was made regarding this item.

**C. REGIONAL BOARD COMPLAINT**

No motion was made regarding this item.

**D. CONFLICT OF INTEREST**

*Motion by Camacho, second by Kuhn and by unanimous vote  
**Moved to forward the conflict of interest matter through the Watermaster process, as presented***

**III. REPORTS/UPDATES**

**A. WATERMASTER GENERAL LEGAL COUNSEL REPORT**

1. Paragraph 31 Motion Update  
Report was given by Counsel Slater.

2. Database and Record Management  
Report was given by Counsel Slater.

**B. CEO/STAFF REPORT**

1. Legislative Update  
Report was given by Mr. Manning.
2. Recharge Update  
Report was given by Mr. Manning.
3. Status Report 2009-2 July to December 2009  
Report was given by Mr. Manning.
4. San Sevaine 5 Berm Improvements  
Report was given by Mr. Pak.

**IV. INFORMATION**

1. Newspaper Articles  
No comment was made regarding this item.

**V. BOARD MEMBER COMMENTS**

No comment was made regarding this item.

**VI. OTHER BUSINESS**

No comment was made regarding this item.

The regular open Watermaster Board meeting was convened to hold its confidential session at 12:12 p.m.

**VII. CONFIDENTIAL SESSION - POSSIBLE ACTION**

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. Paragraph 31 Motion
2. Regional Water Quality Control Board Complaint
3. Chino Airport

The confidential session was convened at 1:25 p.m.

Counsel Slater gave the following action items from the confidential session:

1. An Ad-Hoc Committee consisting of 5 people will be formed
2. Scott Slater was appointed as the facilitator regarding the CDA issues

By a majority vote – 1 no vote from Bowcock due to exclusion

**VIII. FUTURE MEETINGS**

Wednesday, April 21, 2010	1:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park
Thursday, April 22, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM
Tuesday, April 27, 2010	9:00 a.m.	GRCC Technical Committee Meeting @ CBWM
Wednesday, May 12, 2010	10:00 a.m.	Watermaster Budget Workshop @ CBWM
Thursday, May 13, 2010	9:00 a.m.	Agricultural Pool Meeting @ IEUA
<b>** Thursday, May 13, 2010</b>	<b>1:00 p.m.</b>	<b>Appropriative Meeting @ CBWM</b>
<b>** Thursday, May 13, 2010</b>	<b>2:30 p.m.</b>	<b>Non-Agricultural Pool Meeting @ CBWM</b>
Wednesday May 19, 2010	12:30 p.m.	* RMP Half Day Workshop @ Rancho Central Park

Thursday, May 20, 2010	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, May 20, 2010	9:00 a.m.	Advisory Committee Meeting @ CBWM
Thursday, May 27, 2010	11:00 a.m.	Watermaster Board Meeting @ CBWM

**\* Recharge Master Plan (RMP) Workshop at Rancho Central Park  
11200 Base Line Road, Rancho Cucamonga**

**\*\* Please Note: Date change for Appropriative Pool and Non-Agricultural Pool meetings**

The Watermaster Board meeting was dismissed by Chair Willis at 1:28 p.m.

Secretary: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_

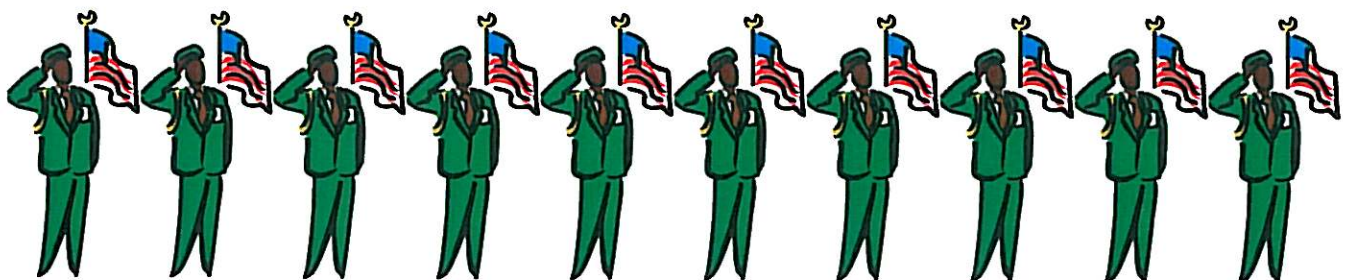


# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### B. FINANCIAL REPORTS

1. Cash Disbursements for the month of March 2010
2. Watermaster Check Detail for the month of March 2010
3. Combining Schedule for the Period July 1, 2009 through March 31, 2010
4. Treasurer's Report of Financial Affairs for the Period March 1, 2010 through March 31, 2010
5. Budget vs. Actual July 2009 through March 2010





# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

---

**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** May 27, 2010  
**TO:** Board Members  
**SUBJECT:** Cash Disbursement Report

### SUMMARY

**Issue** – Record of cash disbursements for the month of March 2010.

**Recommendation** – Staff recommends the Cash Disbursements for March 2010 be received and filed as presented.

**Fiscal Impact** – Funds disbursed were included in the FY 2009-2010 Watermaster Budget.

### BACKGROUND

A monthly cash disbursement report is provided to keep all members apprised of Watermaster expenditures.

### DISCUSSION

Total cash disbursements during the month of March 2010 were \$709,981.92. The most significant expenditures during the month were Wildermuth Environmental, Inc. in the amount of \$384,852.38, Brownstein Hyatt Farber Schreck in the amount of \$85,553.24 and Hogan & Hartson LLP in the amount of \$47,978.08.

### Actions:

- 5-13-10 **Appropriative Pool** – Approved unanimously
- 5-13-10 **Non-Agricultural Pool** – Did not vote on this item
- 5-13-10 **Agricultural Pool** – Approved unanimously
- 5-20-10 **Advisory Committee** – Approved by majority vote
- 5-27-10 **Watermaster Board** –

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

CHINO BASIN WATERMASTER  
Cash Disbursement Detail Report  
March 2010

Mar 10

Type	Date	Num	Name	Amount
Bill Pmt -Check	03/01/2010	13981	APPLIED COMPUTER TECHNOLOGIES	-1,955.00
Bill Pmt -Check	03/01/2010	13982	ARROWHEAD MOUNTAIN SPRING WATER	-35.38
Bill Pmt -Check	03/01/2010	13983	CALPERS	-4,094.99
Bill Pmt -Check	03/01/2010	13984	DELUXE BUSINESS FORMS & SUPPLIES	-189.77
Bill Pmt -Check	03/01/2010	13985	DIRECTV	-83.99
Bill Pmt -Check	03/01/2010	13986	IDEAL GRAPHICS	-17.40
Bill Pmt -Check	03/01/2010	13987	INLAND EMPIRE UTILITIES AGENCY	-1,920.54
Bill Pmt -Check	03/01/2010	13988	JAMES JOHNSTON	-900.00
Bill Pmt -Check	03/01/2010	13989	KONICA MINOLTA BUSINESS SOLUTIONS	-522.07
Bill Pmt -Check	03/01/2010	13990	MAYER HOFFMAN MC CANN P.C.	-4,750.00
Bill Pmt -Check	03/01/2010	13991	MET LIFE SMALL BUSINESS CENTER	-50.00
Bill Pmt -Check	03/01/2010	13992	PARK PLACE COMPUTER SOLUTIONS, INC.	-3,300.00
Bill Pmt -Check	03/01/2010	13993	PITNEY BOWES CREDIT CORPORATION	-518.74
Bill Pmt -Check	03/01/2010	13994	STANDARD INSURANCE CO.	-557.24
Bill Pmt -Check	03/01/2010	13995	STAPLES BUSINESS ADVANTAGE	-212.21
Bill Pmt -Check	03/01/2010	13996	STATE COMPENSATION INSURANCE FUND	-829.85
Bill Pmt -Check	03/01/2010	13997	VISION SERVICE PLAN	-64.98
Bill Pmt -Check	03/01/2010	13998	W.C. DISCOUNT MOBILE AUTO DETAILING	-100.00
Bill Pmt -Check	03/02/2010	13999	CITY OF RANCHO CUCAMONGA	-250.00
Bill Pmt -Check	03/02/2010	14000	CARPET CARE CONNECTION	-659.70
Bill Pmt -Check	03/03/2010	14001	WILDERMUTH ENVIRONMENTAL INC	-217,082.93
Bill Pmt -Check	03/04/2010	14002	BROWNSTEIN HYATT FARBER SCHRECK	-85,553.24
Bill Pmt -Check	03/04/2010	14003	HOGAN & HARTSON LLP	-8,662.50
Bill Pmt -Check	03/04/2010	14004	LOS ANGELES TIMES	-48.00
Bill Pmt -Check	03/04/2010	14005	MIJAC ALARM	-378.00
Bill Pmt -Check	03/04/2010	14006	PURCHASE POWER	-126.70
Bill Pmt -Check	03/04/2010	14007	RAUCH COMMUNICATION CONSULTANTS, LLC	-6,273.75
Bill Pmt -Check	03/04/2010	14008	STAPLES BUSINESS ADVANTAGE	-42.86
Bill Pmt -Check	03/04/2010	14009	UNION 76	-92.75
Bill Pmt -Check	03/04/2010	14010	VERIZON	-42.90
Bill Pmt -Check	03/04/2010	14011	YUKON DISPOSAL SERVICE	-142.88
General Journal	03/06/2010	03/06/10	PAYROLL 02/21/10-03/06/10	-8,510.78
General Journal	03/06/2010	03/06/10	PAYROLL 02/21/10-03/06/10	-22,831.36
Bill Pmt -Check	03/15/2010	14012	BOWCOCK, ROBERT	-375.00
Bill Pmt -Check	03/15/2010	14013	CAMACHO, MICHAEL	-625.00
Bill Pmt -Check	03/15/2010	14014	COMPUTER NETWORK	-660.57
Bill Pmt -Check	03/15/2010	14015	FIRST AMERICAN REAL ESTATE SOLUTIONS	-125.00
Bill Pmt -Check	03/15/2010	14016	HAUGHEY, TOM	-375.00
Bill Pmt -Check	03/15/2010	14017	HSBC BUSINESS SOLUTIONS	-914.45
Bill Pmt -Check	03/15/2010	14018	IAAP	-128.00
Bill Pmt -Check	03/15/2010	14019	INLAND EMPIRE UTILITIES AGENCY	-20.00
Bill Pmt -Check	03/15/2010	14020	KUHN, BOB	-375.00
Bill Pmt -Check	03/15/2010	14021	MATHIS & ASSOCIATES	-15,975.00
Bill Pmt -Check	03/15/2010	14022	PAYCHEX	-215.72

CHINO BASIN WATERMASTER  
Cash Disbursement Detail Report  
March 2010

Type	Date	Num	Name	Amount
Bill Pmt -Check	03/15/2010	14023	PETTY CASH	-449.76
Bill Pmt -Check	03/15/2010	14024	REID & HELLYER	-10,780.00
Bill Pmt -Check	03/15/2010	14025	SAFEGUARD DENTAL & VISION	-7.68
Bill Pmt -Check	03/15/2010	14026	STAPLES BUSINESS ADVANTAGE	-105.77
Bill Pmt -Check	03/15/2010	14027	VANDEN HEUVEL, GEOFFREY	-375.00
Bill Pmt -Check	03/15/2010	14028	VERIZON	-451.54
Bill Pmt -Check	03/15/2010	14029	W.C. DISCOUNT MOBILE AUTO DETAILING	-75.00
Bill Pmt -Check	03/15/2010	14030	WESTERN DENTAL SERVICES, INC.	-28.06
Bill Pmt -Check	03/15/2010	14031	WHITEHEAD, MICHAEL	-375.00
Bill Pmt -Check	03/15/2010	14032	WILLIS, KENNETH	-500.00
Bill Pmt -Check	03/15/2010	14033	BANC OF AMERICA LEASING	-3,215.74
Bill Pmt -Check	03/15/2010	14034	MCI	-1,237.85
Bill Pmt -Check	03/15/2010	14035	VERIZON WIRELESS	-525.33
Bill Pmt -Check	03/17/2010	14036	ACWA SERVICES CORPORATION	-230.79
Bill Pmt -Check	03/17/2010	14037	CITISTREET	-2,038.34
Bill Pmt -Check	03/17/2010	14038	CITISTREET	-2,038.34
Bill Pmt -Check	03/18/2010	14039	CITY OF RANCHO CUCAMONGA	-64.00
General Journal	03/20/2010	03/20/10	PAYROLL 03/07/10-03/20/10	-6,811.31
General Journal	03/20/2010	03/20/10	PAYROLL 03/07/10-03/20/10	-22,435.04
Bill Pmt -Check	03/23/2010	14040	BLACK & VEATCH CORPORATION	-25,270.00
Bill Pmt -Check	03/23/2010	14041	CUCAMONGA VALLEY WATER DISTRICT	-5,792.00
Bill Pmt -Check	03/23/2010	14042	MWH LABORATORIES	-7,187.00
Bill Pmt -Check	03/23/2010	14043	PREMIERE GLOBAL SERVICES	-481.70
Bill Pmt -Check	03/23/2010	14044	STAULA, MARY L	-136.61
Bill Pmt -Check	03/23/2010	14045	UNITED PARCEL SERVICE	-38.99
Bill Pmt -Check	03/23/2010	14046	BANK OF AMERICA	-2,445.32
Bill Pmt -Check	03/23/2010	14047	COMPUTER NETWORK	-647.06
Bill Pmt -Check	03/23/2010	14048	GUARANTEED JANITORIAL SERVICE, INC.	-865.00
Bill Pmt -Check	03/23/2010	14049	HOGAN & HARTSON LLP	-47,978.08
Bill Pmt -Check	03/23/2010	14050	KONICA MINOLTA BUSINESS SOLUTIONS	-594.17
Bill Pmt -Check	03/23/2010	14051	OFFICE DEPOT	-209.85
Bill Pmt -Check	03/23/2010	14052	PRE-PAID LEGAL SERVICES, INC.	-77.70
Bill Pmt -Check	03/23/2010	14053	QUILL	-78.17
Bill Pmt -Check	03/23/2010	14054	R&D PEST SERVICES	-85.00
Bill Pmt -Check	03/23/2010	14055	THE WINDOW WASHER.COM	-375.00
Bill Pmt -Check	03/23/2010	14056	WILDERMUTH ENVIRONMENTAL INC	-167,769.45
Bill Pmt -Check	03/23/2010	14057	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	-7,150.91
Bill Pmt -Check	03/25/2010	14058	EL TORITO	-372.75
Bill Pmt -Check	03/29/2010	14059	CLARK PLUMBING SPECIALTIES, INC.	-93.36
				-709,981.92

Mar 10



CHINO BASIN WATERMASTER  
Check Detail  
March 2010

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
Bill Pmt -Check	14046	03/23/2010	BANK OF AMERICA	1012 · Bank of America Gen'l Ckg	
Bill	4024420001939341	02/28/2010		6909.1 · OBMP Meetings	-244.49
				6141.3 · Admin Meetings	-205.73
				6191 · Conferences	-1,444.62
				6112 · Subscriptions/Publications	-167.04
				6174 · Transportation	-30.00
				6312 · Meeting Expenses	-353.44
TOTAL					<u>-2,445.32</u>

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

**CHINO BASIN WATERMASTER  
COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN WORKING CAPITAL  
FOR THE  
PERIOD JULY 1, 2009 THROUGH MARCH 31, 2010**

	WATERMASTER ADMINISTRATION	OPTIMUM BASIN MANAGEMENT	POOL ADMINISTRATION & SPECIAL PROJECTS		GROUNDWATER OPERATIONS		EDUCATION FUNDS	GRAND TOTALS	BUDGET 2009-2010
			POOL APPROPRIATIVE POOL	AG POOL	NON-AG POOL	GROUNDWATER REPLENISHMENT			
Administrative Revenues:									
Administrative Assessments	7,215,654				325,016			7,540,670	\$7,340,839
Interest Revenue	28,975		2,434		1,249		5	32,663	191,540
Mutual Agency Project Revenue	-				-			-	148,410
Grant Income	188							-	0
Miscellaneous Income								111,188	0
<b>Total Revenues</b>	<b>7,244,818</b>		<b>2,434</b>		<b>326,265</b>		<b>5</b>	<b>7,684,522</b>	<b>7,680,789</b>

Administrative & Project Expenditures:									
Watermaster Administration	571,394							571,394	580,238
Watermaster Board-Advisory Committee	48,427							48,427	61,901
Pool Administration		18,388	110,381		9,778			138,546	229,860
Optimum Basin Mgmt Administration		1,281,484						1,281,484	1,557,820
OBMP Project Costs		2,878,599						2,878,599	4,109,362
Debt Service		567,042						567,042	1,131,233
Education Funds Use									375
Mutual Agency Project Costs									10,000
<b>Total Administrative/OBMP Expenses</b>	<b>619,821</b>	<b>4,727,126</b>	<b>110,381</b>		<b>9,778</b>			<b>5,485,494</b>	<b>7,680,789</b>
<b>Net Administrative/OBMP Expenses</b>	<b>(508,821)</b>	<b>(4,727,126)</b>							
Allocate Net Admin Expenses To Pools		355,500	134,882		18,439				
Allocate Net OBMP Expenses To Pools		2,906,542	1,102,788		150,754				
Allocate Debt Service to App Pool		567,042							
Agricultural Expense Transfer*		1,348,051	(1,348,051)						
<b>Total Expenses</b>	<b>5,195,523</b>				<b>178,971</b>			<b>5,485,494</b>	<b>7,680,789</b>
<b>Net Administrative Income</b>	<b>2,049,295</b>		<b>2,434</b>		<b>147,294</b>		<b>5</b>	<b>2,199,028</b>	

Other Income/(Expense)									
Replenishment Water Assessments						7,073,805		7,073,805	0
Interest Revenue						25,077		25,077	0
Water Purchases									0
Balance Adjustment									0
Other Water Purchases						(2,166,022)		(2,166,022)	0
Groundwater Replenishment						(1,021,346)		(1,021,346)	0
<b>Net Other Income</b>						<b>3,911,513</b>		<b>3,911,513</b>	<b>0</b>
<b>Net Transfers To/(From) Reserves</b>	<b>6,110,541</b>		<b>2,434</b>		<b>147,294</b>	<b>3,911,513</b>	<b>5</b>	<b>6,110,541</b>	

<b>Working Capital, July 1, 2009</b>	<b>5,942,967</b>		<b>470,719</b>		<b>256,577</b>	<b>4,166,457</b>	<b>995</b>	<b>10,995,966</b>	
<b>Working Capital, End Of Period</b>	<b>7,992,262</b>		<b>473,153</b>		<b>403,871</b>	<b>8,077,970</b>	<b>1,000</b>	<b>17,106,507</b>	<b>17,106,507</b>

<b>08/09 Assessable Production</b>	<b>84,716,450</b>		<b>32,142,764</b>		<b>4,393,990</b>			<b>121,253,204</b>	
<b>08/09 Production Percentages</b>	<b>69.867%</b>		<b>26.509%</b>		<b>3.624%</b>			<b>100.000%</b>	

\*Fund balance transfer as agreed to in the Peace Agreement.

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

**CHINO BASIN WATERMASTER  
TREASURER'S REPORT OF FINANCIAL AFFAIRS FOR THE PERIOD  
MARCH 1 THROUGH MARCH 31, 2010**

<b>DEPOSITORIES:</b>		
Cash on Hand - Petty Cash	\$	500
Bank of America		
Governmental Checking-Demand Deposits	\$	305,345
Zero Balance Account - Payroll		-
Local Agency Investment Fund - Sacramento		-
		<u>17,478,640</u>
		<u>17,784,485</u>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>3/31/2010</b>
<b>TOTAL CASH IN BANKS AND ON HAND</b>		<b>2/28/2010</b>
		<u><u>\$ (546,557)</u></u>

**CHANGE IN CASH POSITION DUE TO:**

Decrease/(Increase) in Assets: Accounts Receivable	\$	61,152
Assessments Receivable		(1,747)
Prepaid Expenses, Deposits & Other Current Assets		-
(Decrease)/Increase in Liabilities		(49,407)
Accounts Payable		44,284
Accrued Payroll, Payroll Taxes & Other Current Liabilities		(600,839)
Transfer to/(from) Reserves		-
		<u><u>\$ (546,557)</u></u>

**SUMMARY OF FINANCIAL TRANSACTIONS:**

	Petty Cash	Govt'l Checking Demand	Zero Balance Account Payroll	Local Agency Investment Funds	Totals
Balances as of 2/28/2010	\$ 500	\$ 936,343	\$ -	\$ 17,394,199	\$ 18,331,042
Deposits	-	98,253	-	84,441	182,694
Transfers	-	(60,588)	60,588	-	-
Withdrawals/Checks	-	(668,663)	(60,588)	-	(729,251)
Balances as of 3/31/2010	\$ 500	\$ 305,345	\$ -	\$ 17,478,640	\$ 17,784,485
<b>PERIOD INCREASE OR (DECREASE)</b>	<u><u>\$ -</u></u>	<u><u>\$ (630,998)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 84,441</u></u>	<u><u>\$ (546,557)</u></u>



CHINO BASIN WATERMASTER  
 Profit Loss Budget vs. Actual  
 July 2009 through March 2010

	YTD Actuals 07/09 - 03/10	FY 2009-2010 Budget	\$Amt Over (Under) Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4010 · Local Agency Subsidies	111,000	148,410	-37,410	75%
4110 · Admin Asmnts-Approp Pool	7,215,654	7,185,411	30,243	100%
4120 · Admin Asmnts-Non-Agri Pool	325,016	155,427	169,589	209%
4700 · Non Operating Revenues	32,663	191,540	-158,877	17%
4900 · Miscellaneous income	188			
<b>Total Income</b>	<b>7,684,522</b>	<b>7,680,788</b>	<b>3,734</b>	<b>100%</b>
<b>Gross Profit</b>	<b>7,684,522</b>	<b>7,680,788</b>	<b>3,734</b>	<b>100%</b>
<b>Expense</b>				
6010 · Salary Costs	410,247	487,838	-77,591	84%
6020 · Office Building Expense	73,364	102,500	-29,136	72%
6030 · Office Supplies & Equip.	21,583	43,500	-21,917	50%
6040 · Postage & Printing Costs	50,627	84,300	-33,673	60%
6050 · Information Services	96,105	148,500	-52,395	65%
6060 · Contract Services	166,675	98,000	68,675	170%
6080 · Insurance	15,934	16,730	-796	95%
6110 · Dues and Subscriptions	17,798	17,000	798	105%
6140 · WM Admin Expenses	2,343	3,000	-657	78%
6150 · Field Supplies	271	2,800	-2,529	10%
6170 · Travel & Transportation	20,683	37,800	-17,117	55%
6190 · Conferences & Seminars	20,447	26,500	-6,053	77%
6200 · Advisory Comm - WM Board	15,019	18,078	-3,059	83%
6300 · Watermaster Board Expenses	33,408	43,823	-10,415	76%
8300 · Appr PI-WM & Pool Admin	18,388	23,069	-4,681	80%
8400 · Agri Pool-WM & Pool Admin	22,185	25,114	-2,929	88%
8467 · Ag Legal & Technical Services	78,145	98,000	-19,855	80%
8470 · Ag Meeting Attend -Special	10,050	12,000	-1,950	84%
8471 · Ag Pool Expense	0	65,000	-65,000	0%
8500 · Non-Ag PI-WM & Pool Admin	9,778	6,677	3,101	146%
6500 · Education Funds Use Expens	0	375	-375	0%
9500 · Allocated G&A Expenditures	-324,682	-488,230	163,548	67%
	758,368	872,374	-114,006	87%
6900 · Optimum Basin Mgmt Plan	1,177,231	1,399,371	-222,140	84%
6950 · Mutual Agency Projects	0	10,000	-10,000	0%
9501 · G&A Expenses Allocated-OBMP	104,253	148,448	-44,195	70%
	1,281,484	1,557,819	-276,335	82%

CHINO BASIN WATERMASTER  
 Profit Loss Budget vs. Actual  
 July 2009 through March 2010

	YTD Actuals 07/09 - 03/10	FY 2009-2010 Budget	\$Amt Over (Under) Budget	% of Budget
7101 · Production Monitoring	70,284	107,047	-36,763	66%
7102 · In-line Meter Installation	26,306	56,179	-29,873	47%
7103 · Grdwtr Quality Monitoring	142,337	214,362	-72,025	66%
7104 · Gdwtr Level Monitoring	251,759	366,956	-115,197	69%
7105 · Sur Wtr Qual Monitoring	3,679	43,912	-40,233	8%
7107 · Ground Level Monitoring	259,978	550,059	-290,081	47%
7108 · Hydraulic Control Monitoring	371,744	567,022	-195,278	66%
7109 · Recharge & Well Monitoring Prog	5,763	9,152	-3,390	63%
7200 · PE2- Comp Recharge Pgm	1,229,172	1,478,560	-249,388	83%
7300 · PE3&5-Water Supply/Desalte	50,538	96,003	-45,465	53%
7400 · PE4- Mgmt Plan	76,721	91,985	-15,264	83%
7500 · PE6&7-CoopEfforts/SaltMgmt	136,557	163,727	-27,170	83%
7600 · PE8&9-StorageMgmt/Conj Use	33,332	29,550	3,782	113%
7690 · Recharge Improvement Debt Pymt	567,042	1,131,233	-564,191	50%
7700 · Inactive Well Protection Prgm	0	5,066	-5,066	0%
9502 · G&A Expenses Allocated-Projects	220,429	339,782	-119,353	65%
	<u>3,445,641</u>	<u>5,250,595</u>	<u>-1,804,954</u>	<u>66%</u>
<b>Total Expense</b>	<u>5,485,494</u>	<u>7,680,788</u>	<u>-2,195,294</u>	<u>71%</u>
<b>Net Ordinary Income</b>	2,199,028		2,199,028	100%
<b>Other Income/Expense</b>				
<b>Other Income</b>				
4225 · Interest Income	25,077			
4210 · Approp Pool-Replenishment	4,887,364			
4220 · Non-Ag Pool-Replenishment	9,478			
4600 · Groundwater Sales	2,176,962			
<b>Total Other Income</b>	<u>7,098,882</u>			
<b>Other Expense</b>				
5010 · Groundwater Replenishment	1,021,346			
5100 · Other Water Purchases	2,166,022			
9999 · To/(From) Reserves	6,110,542			
<b>Total Other Expense</b>	<u>9,297,910</u>			
<b>Net Other Income</b>	<u>-2,199,028</u>			
<b>Net Income</b>	<u>0</u>		<u>0</u>	<u>0%</u>





# CHINO BASIN WATERMASTER

## I. CONSENT CALENDAR

### D. WATER TRANSACTION

1. **Consider Approval for Notice of Sale or Transfer** – Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage.
2. **Consider Approval for Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account.
3. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).
4. **Consider Approval for Notice of Sale or Transfer** – Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,000.000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).
5. **Consider Approval for Notice of Sale or Transfer** – Chino Basin Watermaster will purchase 1,000.000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage.
6. **Consider Approval for Notice of Sale or Transfer** – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater.



***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 25, 2010**

Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company’s annual production right, then any additional from storage.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:	April 8, 2010
Non-Agricultural Pool:	April 8, 2010
Agricultural Pool:	April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

**Summary –**

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

**Issue –**

- **Notice of Sale or Transfer –** Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage.

**Recommendation –**

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

**Fiscal Impact –**

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

**Background**

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for water transaction is attached with the notice of application.

- Jurupa Community Services District has agreed to purchase 1,200 acre-feet of water from Santa Ana River Water Company's annual production right, then any additional from storage.

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

**CONSOLIDATED WATER TRANSFER FORMS:**  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD

FISCAL YEAR 20<sup>09</sup>-20<sup>10</sup>

DATE REQUESTED: 03/25/2010

AMOUNT REQUESTED: 1,200 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b> Santa Ana River Water Company			<b>TRANSFER TO (BUYER / TRANSFEREE):</b> Jurupa Community Services District		
Name of Party 10530 54th St.			Name of Party 11201 Harrel St		
Street Address			Street Address		
Mira Loma	Ca	91752	Mira Loma	Ca	91752
City	State	Zip Code	City	State	Zip Code
951-685-6503			951-685-7434		
Telephone			Telephone		
951-685-1978			951-685-1153		
Facsimile			Facsimile		

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain \_\_\_\_\_



**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.")    Yes     No   
Is the Buyer an 85/15 Party?    Yes     No   
Is the purpose of the transfer to meet a current demand over and above production right?    Yes     No   
Is the water being placed into the Buyer's Annual Account?    Yes     No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

---

Projected Rate of Recapture \_\_\_\_\_      Projected Duration of Recapture \_\_\_\_\_

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

---

**PLACE OF USE OF WATER TO BE RECAPTURED:**

---

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

---

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area?    Yes     No

If yes, please explain:

---

What are the existing water levels in the areas that are likely to be affected?

---

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1?    Yes     No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application?    Yes     No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

---

---

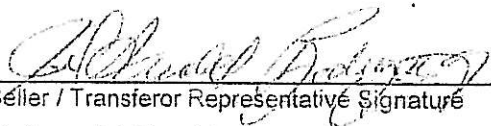
---

SAID TRANSFER SHALL BE CONDITIONED UPON:


- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

ADDITIONAL INFORMATION ATTACHED

Yes  No

  
 \_\_\_\_\_  
 Seller / Transferor Representative Signature

J Arnold Rodriguez  
 \_\_\_\_\_  
 Seller / Transferor Representative Name (Printed)

  
 \_\_\_\_\_  
 Buyer / Transferee Representative Signature

Robert Tock  
 \_\_\_\_\_  
 Buyer / Transferee Representative Name (Printed)

TO BE COMPLETED BY WATERMASTER STAFF:

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **February 22, 2010**      Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona’s net underproduction, if any, with the remainder from Pomona’s local storage account. The water is to be placed in Cucamonga Valley Water District’s Excess Carryover account.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:                      April 8, 2010

Non-Agricultural Pool:                      April 8, 2010

Agricultural Pool:                              April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

### Issue –

- **Notice of Sale or Transfer** – Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account.

### Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

### Fiscal Impact –

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

### Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).



The following application for water transaction is attached with the notice of application.

- Cucamonga Valley Water District has agreed to lease 2,500 acre-feet of water from the City of Pomona's net underproduction, if any, with the remainder from Pomona's local storage account. The water is to be placed in Cucamonga Valley Water District's Excess Carryover account.

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

**DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

**CONSOLIDATED WATER TRANSFER FORMS:**  
**FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE**  
**FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE**  
**FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2009 - 2010

DATE REQUESTED: February 22, 2010

AMOUNT REQUESTED: 2,500 Acre-Feet

City of Pomona <b>TRANSFER FROM (SELLER / TRANSFEROR):</b> <u>Daryl R. Grigsby, Public Works Director</u> Name of Party <u>505 South Garey Avenue</u> Street Address <u>Pomona</u> <u>CA</u> <u>91766</u> City                                      State      Zip Code <u>(909) 620-2283</u> Telephone <u>(909) 620-2030</u> Facsimile	Cucamonga Valley Water District <b>TRANSFER TO (BUYER / TRANSFEREE):</b> <u>Robert DeLoach, General Manager</u> Name of Party <u>10440 Ashford Street</u> Street Address <u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u> City                                                              State      Zip Code <u>(909) 987-2591</u> Telephone <u>(909) 476-8032</u> Facsimile
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain City of Pomona's net under production, if any, with the remainder from Pomona's local storage account.

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain CVWD Excess Carry-Over Account

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes  No

Is the Buyer an 85/15 Party? Yes  No

Is the purpose of the transfer to meet a current demand over and above production right? Yes  No

Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

1,500 - 2,500 gpm In the current and future years as needed.  
 Projected Rate of Recapture Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**  
Pumping

**PLACE OF USE OF WATER TO BE RECAPTURED:**  
Service area within Management Zone 2.

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**  
N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

Nitrate concentrations range from 19 to 70 ppm.

What are the existing water levels in the areas that are likely to be affected?

Static water levels from 504' to 533'.

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes  No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

N/A

---



---



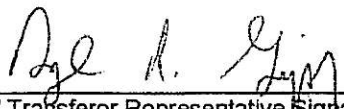
---

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature

Daryl R. Grigsby, Public Works Director  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

Robert DeLoach, General Manager  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

## NOTICE OF APPLICATION(S) RECEIVED

Date of Application: **March 18, 2010**

Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,085 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: April 8, 2010

Non-Agricultural Pool: April 8, 2010

Agricultural Pool: April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).



THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

**Summary –**

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

**Issue –**

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,085,000 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

**Recommendation –**

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

**Fiscal Impact –**

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

**Background**

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,085.000 acre-feet of water from the City of Chino. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

#### **DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

Chino Basin Watermaster has a total replenishment obligation (due to overproduction within the Basin) of 11,426.202 AF for Assessment Year 2009-10, in addition to the Cumulative Unmet Replenishment Obligation (CURO) of 9,527.581. Due to the fact that MWD does not have replenishment water available, Watermaster wishes to use the option to purchase water from Parties to partially fulfill the replenishment obligation. Watermaster is taking advantage of Chino's offer to sell 5,085.000 AF of water to Watermaster. The transfer will be made first from Chino's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2010-2011

DATE REQUESTED: March 18, 2010

AMOUNT REQUESTED: 5,085.000 Acre-Feet

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>City of Chino</u> Name of Party	<u>Chino Basin Watermaster (on behalf of</u> Name of Party <u>Fontana Water Company)</u>
<u>5050 Schaefer Ave</u> Street Address	<u>9641 San Bernardino Rd</u> Street Address
<u>Chino</u> <u>CA</u> <u>91710-5549</u> City State Zip Code	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u> City State Zip Code
<u>(909) 591-9823</u> Telephone	<u>(909) 484-3888</u> Telephone
<u>(909) 590-5535</u> Facsimile	<u>(909) 484-3890</u> Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year? Yes  No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill FWC's Cumulative Unmet Replenishment Obligation (CURO)

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain FWC's Cumulative Unmet Replenishment Obligation (CURO)

**IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.")**    Yes     No

Is the Buyer an 85/15 Party?    Yes     No

Is the purpose of the transfer to meet a current demand over and above production right?    Yes     No

Is the water being placed into the Buyer's Annual Account?    Yes     No

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
<u>N/A (paper transfer)</u> Projected Rate of Recapture	<u>N/A (paper transfer)</u> Projected Duration of Recapture
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b>	
<u>N/A</u>	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b>	
<u>N/A</u>	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b>	
<u>N/A</u>	

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area?    Yes     No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1?    Yes     No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application?    Yes     No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

N/A

N/A


N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature

Dave Crosley  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

Kenneth R Manning  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.



**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 18, 2010**

Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: April 8, 2010

Non-Agricultural Pool: April 8, 2010

Agricultural Pool: April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
CHIEF EXECUTIVE OFFICER

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### Summary –

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

### Issue –

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,000,000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

### Recommendation –

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

### Fiscal Impact –

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

### Background

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 5,000,000 acre-feet of water from the Cucamonga Valley Water District (CVWD). The transfer will be made from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

#### **DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

Chino Basin Watermaster has a total replenishment obligation (due to overproduction within the Basin) of 11,426,202 AF for Assessment Year 2009-10, in addition to the Cumulative Unmet Replenishment Obligation (CURO) of 9,527,581. Due to the fact that MWD does not have replenishment water available, Watermaster wishes to use the option to purchase water from Parties to partially fulfill the replenishment obligation. Watermaster is taking advantage of CVWD's offer to sell 5,005,000 AF of water to Watermaster. The transfer will be made first from CVWD's storage account. This transfer will solely offset Fontana Water Company's current Cumulative Unmet Replenishment Obligation (CURO).

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

**FISCAL YEAR 2010-2011**

**DATE REQUESTED:** March 18, 2010

**AMOUNT REQUESTED:** 5,000.000 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>	<b>TRANSFER TO (BUYER / TRANSFEREE):</b>
<u>Cucamonga Valley Water District</u>	<u>Chino Basin Watermaster (on behalf of</u>
Name of Party	Name of Party <u>Fontana Water Company)</u>
<u>P.O. Box 638</u>	<u>9641 San Bernardino Rd</u>
Street Address	Street Address
<u>Rancho Cucamonga</u> <u>CA</u> <u>91729-0638</u>	<u>Rancho Cucamonga</u> <u>CA</u> <u>91730</u>
City                                  State      Zip Code	City                                  State      Zip Code
<u>(909) 987-2591</u>	<u>(909) 484-3888</u>
Telephone	Telephone
<u>(909) 476-8032</u>	<u>(909) 484-3890</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill FWC's Cumulative Unmet Replenishment Obligation (CURO)

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain FWC's Cumulative Unmet Replenishment Obligation (CURO)

85/15 will apply on the additional \$20.00/AF

**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No   
 Is the Buyer an 85/15 Party? Yes  No   
 Is the purpose of the transfer to meet a current demand over and above production right? Yes  No   
 Is the water being placed into the Buyer's Annual Account? Yes  No

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
N/A (paper transfer) Projected Rate of Recapture	N/A (paper transfer) Projected Duration of Recapture
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b>	
N/A	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b>	
N/A	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b>	
N/A	

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes  No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

N/A

N/A

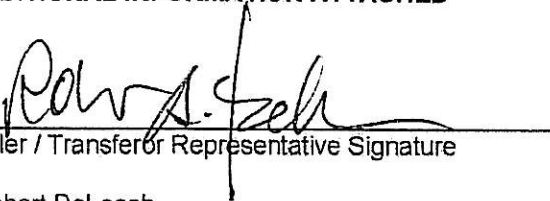
N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No



Seller / Transferor Representative Signature

Robert DeLoach  
Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Kenneth R Manning  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_



THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 3, 2010**

Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool: April 8, 2010

Non-Agricultural Pool: April 8, 2010

Agricultural Pool: April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# **CHINO BASIN WATERMASTER**

## **NOTICE OF TRANSFER OF WATER**

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730

Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
CHIEF EXECUTIVE OFFICER

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

**Summary –**

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

**Issue –**

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000,000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

**Recommendation –**

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

**Fiscal Impact –**

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

**Background**

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).

The following application for the water transaction is attached with the notice of application.

- Notice of Sale or Transfer – Chino Basin Watermaster will purchase 1,000,000 acre-feet of water from the Santa Ana River Water Company (SARWC). The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

#### **DISCUSSION**

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.

Chino Basin Watermaster has a total replenishment obligation (due to overproduction within the Basin) of 11,426,202 AF for Assessment Year 2009-10, in addition to the Cumulative Unmet Replenishment Obligation (CURO) of 9,527,581. Due to the fact that MWD does not have replenishment water available, Watermaster wishes to use the option to purchase water from Parties to partially fulfill the replenishment obligation. Watermaster is taking advantage of Santa Ana River Water Company's offer to sell 1,000,000 AF of water to Watermaster. The transfer will be made first from SARWC's net under-production in Fiscal Year 2009-10, with any remainder to be recaptured from storage.

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

**FISCAL YEAR 2010- 2011**

**DATE REQUESTED:** March 3, 2010

**AMOUNT REQUESTED:** 1,000.000 Acre-Feet

<b>TRANSFER FROM (SELLER / TRANSFEROR):</b>			<b>TRANSFER TO (BUYER / TRANSFEREE):</b>		
<u>Santa Ana River Water Company</u>			<u>Chino Basin Watermaster</u>		
Name of Party			Name of Party		
<u>10530 54th Street</u>			<u>9641 San Bernardino Road</u>		
Street Address			Street Address		
<u>Mira Loma</u>	<u>CA</u>	<u>91752-2331</u>	<u>Rancho Cucamonga</u>	<u>CA</u>	<u>91730</u>
City	State	Zip Code	City	State	Zip Code
<u>951- 685-6503</u>			<u>909-484-3888</u>		
Telephone			Telephone		
<u>951- 685-1978</u>			<u>909-484-3890</u>		
Facsimile			Facsimile		

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain To partially fulfill Watermaster's replenishment obligation for Assessment Year 2009-10

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool)
- Storage
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common)
- Storage (rare)
- Other, explain Replenishment obligation for Assessment Year 2009-10



**IS THE 85/15 RULE EXPECTED TO APPLY?** (If yes, all answers below must be "yes.") Yes  No   
Is the Buyer an 85/15 Party? Yes  No   
Is the purpose of the transfer to meet a current demand over and above production right? Yes  No   
Is the water being placed into the Buyer's Annual Account? Yes  No

<b>IF WATER IS TO BE TRANSFERRED FROM STORAGE:</b>	
<u>N/A (paper transfer)</u> Projected Rate of Recapture	<u>N/A (paper transfer)</u> Projected Duration of Recapture
<b>METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):</b> <u>N/A</u>	
<b>PLACE OF USE OF WATER TO BE RECAPTURED:</b> <u>N/A</u>	
<b>LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):</b> <u>N/A</u>	

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

N/A

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes  No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

N/A

N/A

N/A

**SAID TRANSFER SHALL BE CONDITIONED UPON:**


- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.

**ADDITIONAL INFORMATION ATTACHED**

Yes  No

  
\_\_\_\_\_  
Seller / Transferor Representative Signature

J. Arnold Rodriguez  
\_\_\_\_\_  
Seller / Transferor Representative Name (Printed)

  
\_\_\_\_\_  
Buyer / Transferee Representative Signature

Kenneth R. Manning  
\_\_\_\_\_  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

***CHINO BASIN WATERMASTER***

**NOTICE**

**OF**

**APPLICATION(S)**

**RECEIVED FOR**

**WATER TRANSACTIONS – ACTIVITIES**

Date of Notice:

April 1, 2010

This notice is to advise interested persons that the attached application(s) will come before the Watermaster Board on or after 30 days from the date of this notice.

**NOTICE OF APPLICATION(S) RECEIVED**

Date of Application: **March 31, 2010**

Date of this notice: **April 1, 2010**

Please take notice that the following Application has been received by Watermaster:

- Notice of Sale or Transfer – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater.

This *Application* will first be considered by each of the respective pool committees on the following dates:

Appropriative Pool:	April 8, 2010
Non-Agricultural Pool:	April 8, 2010
Agricultural Pool:	April 8, 2010

This *Application* will be scheduled for consideration by the Advisory Committee *no earlier than thirty days from the date of this notice and a minimum of twenty-one calendar days* after the last pool committee reviews it.

After consideration by the Advisory Committee, the *Application* will be considered by the Board.

Unless the *Application* is amended, parties to the Judgment may file *Contests* to the *Application* with Watermaster *within seven calendar days* of when the last pool committee considers it. Any *Contest* must be in writing and state the basis of the *Contest*.

Watermaster address:

Chino Basin Watermaster  
9641 San Bernardino Road  
Rancho Cucamonga, CA 91730

Tel: (909) 484-3888  
Fax: (909) 484-3890

# CHINO BASIN WATERMASTER

## NOTICE OF TRANSFER OF WATER

Notification Dated: April 1, 2010

A party to the Judgment has submitted a proposed transfer of water for Watermaster approval. Unless contrary evidence is presented to Watermaster that overcomes the rebuttable presumption provided in Section 5.3(b)(iii) of the Peace Agreement, Watermaster must find that there is "no material physical injury" and approve the transfer. Watermaster staff is not aware of any evidence to suggest that this transfer would cause material physical injury and hereby provides this notice to advise interested persons that this transfer will come before the Watermaster Board on or after 30 days from the date of this notice. The attached staff report will be included in the meeting package at the time the transfer begins the Watermaster process (comes before Watermaster).

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



## CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: (909) 484.3888 Fax: (909) 484-3890 www.cbwm.org

---

**KENNETH R. MANNING**  
**CHIEF EXECUTIVE OFFICER**

**DATE:** April 1, 2010  
**TO:** Watermaster Interested Parties  
**SUBJECT:** Summary and Analysis of Application for Water Transaction

### SUMMARY

There does not appear to be a potential material physical injury to a party or to the basin from the proposed transaction as presented.

#### Issue -

- Notice of Sale or Transfer – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. This Staff Report provides a summary and analysis of the proposed transfer.

#### Recommendation -

1. Continue monitoring as planned in the Optimum Basin Management Program.
2. Use all new or revised information when analyzing the hydrologic balance and report to Watermaster if a potential for material physical injury is discovered, and
3. Approve the transaction as presented.

#### Fiscal Impact -

- None
- Reduces assessments under the 85/15 rule
- Reduce desalter replenishment costs

### BACKGROUND

The Court approved the Peace Agreement, the Implementation Plan and the goals and objectives identified in the OBMP Phase I Report on July 13, 2000, and ordered Watermaster to proceed in a manner consistent with the Peace Agreement. Under the Peace Agreement, Watermaster approval is required for applications to store, recapture, recharge or transfer water, as well as for applications for credits or reimbursements and storage and recovery programs.

Where there is no material physical injury, Watermaster must approve the transaction. Where the request for Watermaster approval is submitted by a party to the Judgment, there is a rebuttable presumption that most of the transactions do not result in Material Physical Injury to a party to the Judgment or the Basin (Storage and Recovery Programs do not have this presumption).



The following application for water transaction is attached with the notice of application.

- Notice of Sale or Transfer – On March 31, 2010, Watermaster received Consolidated Water Transfer Forms 3, 4, and 5 with Praxair, Inc. as the Transferor and the City of Ontario (as an Overlying Non-Agricultural party) as Transferee in the amount of 426.446 acre-feet--a permanent transfer of all but one acre-foot of its share of safe yield. Also to be transferred are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. This Staff Report provides a summary and analysis of the proposed transfer.

Notice of the water transaction identified above was mailed on April 1, 2010 along with the materials submitted by the requestors.

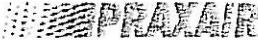
## DISCUSSION

Under Exhibit G, paragraph 6, of the Judgment: "Rights herein decreed are appurtenant to that land and are only assignable with the land for overlying use thereon; provided however, . . . (b) the members of the Pool shall have the right to Transfer or lease their quantified production rights within the Pool or to Watermaster in conformance with the procedures described in the Peace Agreement between the Parties therein, dated June 29, 2000 for the term of the Peace Agreement." The Peace Agreement and Peace II Agreement thus modified the strict appurtenancy requirement to allow Transfers of the water rights under certain conditions.

In the 1978 Judgment, Union Carbide Corporation was adjudicated rights of 427.446 acre-feet within the Overlying (Non-Agricultural) Pool. Union Carbide Corporation later changed its name to Praxair, Inc. The City of Ontario Intervened into the Judgment as an Overlying Non-Agricultural party in Fiscal Year 2008-09.

Praxair and the City of Ontario (as Non-Ag) have submitted Consolidated Water Transfer Forms 3, 4, and 5. The Application indicates that the amount of water rights to be permanently transferred is 426.446 acre-feet, leaving Praxair with one (1.000) acre-feet of safe yield. Also included are all of Praxair's post-June 30, 2007 stored, carry-over and unpumped groundwater. The City of Ontario will utilize the groundwater extracted solely for uses authorized in the Judgment including providing water service to properties in Ontario.

Water transactions occur each year and are included as production by the respective entity (if produced) in any relevant analyses conducted by Wildermuth Environmental pursuant to the Peace Agreement and the Rules & Regulations. There is no indication additional analysis regarding this transaction is necessary at this time. As part of the OBMP Implementation Plan, continued measurement of water levels and the installation of extensometers are planned. Based on no real change in the available data, we cannot conclude that the proposed water transaction will cause material physical injury to a party or to the Basin.



Praxair, Inc  
2430 Camino Ramon, Suite 310  
PO Box 5117  
San Ramon, CA 94583  
925-866-6842

March 31, 2010

Mr. Kenneth R. Manning, CEO  
Chino Basin Watermaster  
9641 San Bernardino Rd.  
Rancho Cucamonga, CA 91730

RE: Proposed Permanent Transfer of Safe Yield and Water in Storage

Dear Mr. Manning:

This is to notify the Watermaster that Praxair, Inc. ("Transferor") of the Non-Agricultural Pool is hereby requesting approval of the permanent transfer to the City of Ontario ("Transferee") of the Non-Agricultural Pool, approximately 427.446 AF of carry-over water and approximately 233.911 AF of stored water. This is estimated to be all of its post June 30, 2007 stored, carry-over and unpumped groundwater that the Watermaster records currently show are Praxair's balances. In addition, Praxair requests approval of the permanent transfer to the City of Ontario (Non-Ag) 426.446 AFY of its operating safe yield annual non-agricultural overlying groundwater production rights adjudicated to Transferor or its predecessor-in-interest in the Judgment rendered in the Case of "Chino Basin Municipal Water District vs. City of Chino et al" RCV 51010 (formerly Case No. SCV 164327). Please note that Praxair is retaining 1 AFY of operating safe yield non-agricultural overlying groundwater production right.

Please note that this transfer is contingent on Praxair and the City of Ontario (Non-Ag) executing a sale agreement. We would like to have the Watermaster review completed while we finalize this agreement. We will notify you when this is completed or if there are significant changes in status.

Executed original Watermaster forms and all supporting documentation are also being provided. Please put the proposed transfer on the agendas for the next Watermaster meetings.

Sincerely,

A handwritten signature in cursive script that reads "Curtis Stubbings".

Curtis Stubbings  
Praxair, Inc.

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

**Consolidated Forms 3, 4 & 5**

**CONSOLIDATED WATER TRANSFER FORMS:  
 FORM 3: APPLICATION FOR SALE OR TRANSFER OF RIGHT TO PRODUCE WATER FROM STORAGE  
 FORM 4: APPLICATION OR AMENDMENT TO APPLICATION TO RECAPTURE WATER IN STORAGE  
 FORM 5: APPLICATION TO TRANSFER ANNUAL PRODUCTION RIGHT OR SAFE YIELD**

FISCAL YEAR 2009-2010

DATE REQUESTED: February 26, 2010

PERMANENT transfer of 426.446 AF of OSY  
 AMOUNT REQUESTED: \_\_\_\_\_ Acre-Feet  
 & approx. 427.446 AF of carryover water and  
 233.911 AF of stored water. Permanent transfer  
 includes 09-10 rights.

TRANSFER FROM (SELLER / TRANSFEROR):	TRANSFER TO (BUYER / TRANSFEREE):
<u>Praxair Inc.</u>	<u>Ontario City Non-Ag</u>
Name of Party	Name of Party
<u>5705 East Airport Drive</u>	<u>1425 South Bon View</u>
Street Address	Street Address
<u>Ontario</u> <u>CA</u> <u>91761</u>	<u>Ontario</u> <u>CA</u> <u>91761</u>
City                                      State                      Zip Code	City                                      State                      Zip Code
<u>925-866-6842</u>	<u>909-395-2681</u>
Telephone	Telephone
<u>925-866-6899</u>	<u>909-395-2601</u>
Facsimile	Facsimile

Have any other transfers been approved by Watermaster between these parties covering the same fiscal year?      Yes       No

**PURPOSE OF TRANSFER:**

- Pump when other sources of supply are curtailed
- Pump to meet current or future demand over and above production right
- Pump as necessary to stabilize future assessment amounts
- Other, explain \_\_\_\_\_

**WATER IS TO BE TRANSFERRED FROM:**

- Annual Production Right (Appropriative Pool) or Operating Safe Yield (Non-Agricultural Pool) 426.446 AFY
- Storage (approx. 427.446 AF of carryover water and approx. 233.911 AF of stored water. )
- Annual Production Right / Operating Safe Yield first, then any additional from Storage
- Other, explain PERMANENT transfer of 426.446 AF of OSY & approx. 427.446 AF of carryover water and approx. 233.911 AF of stored water. )

**WATER IS TO BE TRANSFERRED TO:**

- Annual Production Right / Operating Safe Yield (common) - 426.446 AFY
- Storage (rare) - estimated 233.911 AF plus 08-09 carry over 427.446 AF
- Other, explain PERMANENT transfer of 426.446 AF of OSY & approx. 427.446 AF of carryover water and approx. 233.911 AF of stored water.

Consolidated Forms 3, 4 & 5 cont.

IS THE 85/15 RULE EXPECTED TO APPLY? (If yes, all answers below must be "yes.") Yes  No

Is the Buyer an 85/15 Party? Yes  No

Is the purpose of the transfer to meet a current demand over and above production right? Yes  No

Is the water being placed into the Buyer's Annual Account? Yes  No

**IF WATER IS TO BE TRANSFERRED FROM STORAGE:**

<u>Varies</u>	<u>Indefinite (permanent transfer)</u>
Projected Rate of Recapture	Projected Duration of Recapture

**METHOD OF RECAPTURE (e.g. pumping, exchange, etc.):**

Pumping

**PLACE OF USE OF WATER TO BE RECAPTURED:**

Management Zones 2 and 3

**LOCATION OF RECAPTURE FACILITIES (IF DIFFERENT FROM REGULAR PRODUCTION FACILITIES):**

N/A

**WATER QUALITY AND WATER LEVELS**

Are the Parties aware of any water quality issues that exist in the area? Yes  No

If yes, please explain:

N/A

What are the existing water levels in the areas that are likely to be affected?

Static level varies from 272 feet to 524 feet.

**MATERIAL PHYSICAL INJURY**

Are any of the recapture wells located within Management Zone 1? Yes  No

Is the Applicant aware of any potential Material Physical Injury to a party to the Judgment or the Basin that may be caused by the action covered by the application? Yes  No

If yes, what are the proposed mitigation measures, if any, that might reasonably be imposed to ensure that the action does not result in Material Physical Injury to a party to the Judgment or the Basin?

N/A

N/A

N/A


Consolidated Forms 3, 4 & 5 cont.

**SAID TRANSFER SHALL BE CONDITIONED UPON:**

- (1) Transferee shall exercise said right on behalf of Transferor under the terms of the Judgment, the Peace Agreement, the Peace II Agreement, and the Management Zone 1 Subsidence Management Plan for the period described above. The first water produced in any year shall be that produced pursuant to carry-over rights defined in the Judgment. After production of its carry-over rights, if any, the next (or first if no carry-over rights) water produced by Transferee from the Chino Basin shall be that produced hereunder.
- (2) Transferee shall put all waters utilized pursuant to said Transfer to reasonable beneficial use.
- (3) Transferee shall pay all Watermaster assessments on account of the water production hereby Transferred.
- (4) Any Transferee not already a party must Intervene and become a party to the Judgment.
- (5) Execution of sale agreement between Praxair and City of Ontario (Non-Ag).

**ADDITIONAL INFORMATION ATTACHED**

Yes  No



Seller / Transferor Representative Signature

Curtis Stubbins  
Seller / Transferor Representative Name (Printed)



Buyer / Transferee Representative Signature

Ken Jeske  
Buyer / Transferee Representative Name (Printed)

**TO BE COMPLETED BY WATERMASTER STAFF:**

DATE OF WATERMASTER NOTICE: \_\_\_\_\_

DATE OF APPROVAL FROM APPROPRIATIVE POOL: \_\_\_\_\_

DATE OF APPROVAL FROM NON-AGRICULTURAL POOL: \_\_\_\_\_

DATE OF APPROVAL FROM AGRICULTURAL POOL: \_\_\_\_\_

HEARING DATE, IF ANY: \_\_\_\_\_

DATE OF ADVISORY COMMITTEE APPROVAL: \_\_\_\_\_

DATE OF BOARD APPROVAL: \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### A. **AMENDMENT NO. 1 TO AGREEMENT TO FORM A TASK FORCE**

Consider Approval of Amendment No. 1 to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program)







# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** May 27, 2010  
**TO:** Board Members  
**SUBJECT:** Amendment No. 1 to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program)

### SUMMARY

**Recommendation** – Approve the agreement to form a Task Force to Conduct a Monitoring program for Nitrogen and TDS in the Santa Ana River Watershed.

**Financial Impact** - Annual budget is prepared by the Task Force and its pro-rata share of such costs and fees are shared among the TASK FORCE AGENCIES. The budget proposed for the fiscal year 2010/11 is \$433,449 and the Watermaster's share is \$25,778.

### BACKGROUND

In December 1995, the Nitrogen TDS Task Force, consisting of 22 water resource agencies in the Santa Ana Watershed including Watermaster, was formed to oversee a study to evaluate the impacts of Total Inorganic Nitrogen (TIN) and Total Dissolved Solids (TDS) on water resources in the Santa Ana River Watershed. The study was completed in mid 2003. On January 22, 2004, the Santa Ana Regional Water Quality Control Board (RWQCB) incorporated the results of the Nitrogen TDS Task Force study into a Basin Plan Amendment for Nitrogen and TDS and adopted the Basin Plan Amendment. The Task Force Agencies were named in that Basin Plan Amendment as responsible for conduct in various monitoring programs and analyses to support the results defined in the Basin Plan Amendment.

Watermaster Board signed the AGREEMENT to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed (Basin Monitoring Program) in August 2004. Because of the need to perform additional work, the Amendment to the original AGREEMENT is required. The modifications of the language include:

1. The purpose of the Task Force to include performing other related cooperative studies as agreed to by the Task Force AGENCIES; and
2. Conduct Santa Ana River (SAR) Wasteload Allocations and other related studies by the TASK FORCE AGENCIES.

**Actions:**

- May 13, 2010 Appropriative Pool – Approved unanimously
- May 13, 2010 Non-Agricultural Pool – Approved unanimously
- May 13, 2010 Agricultural Pool – Approved unanimously
- May 20, 2010 Advisory Committee – Approved unanimously
- May 27, 2010 Watermaster Board –

**AMENDMENT NO. 1**  
**TO**  
**AGREEMENT TO FORM A TASK FORCE**  
**TO CONDUCT A**  
**BASIN MONITORING PROGRAM FOR**  
**NITROGEN AND TOTAL DISSOLVED SOLIDS**  
**IN THE SANTA ANA RIVER WATERSHED**  
**(BASIN MONITORING PROGRAM)**

Pursuant to Paragraph II.15 of that certain AGREEMENT entitled, "Agreement to Form a Task Force to Conduct a Basin Monitoring Program for Nitrogen and Total Dissolved Solids in the Santa Ana River Watershed", dated August 10, 2004, the TASK FORCE AGENCIES hereby agree to make the following changes:

1. Under I. Recitals B. The Purpose of the Task Force Agreement shall be revised to read as follows:

The purpose of this AGREEMENT is to form a task force to oversee and conduct the studies for the Basin Monitoring Program as described in the RWQCB's Basin Plan Amendment **and perform other related cooperative studies as agreed to by the TASK FORCE AGENCIES.** The Task Force is proposed to consist of the TASK FORCE AGENCIES to direct the study and fund it on an equitable basis to be determined by the TASK FORCE AGENCIES.

2. The TASK FORCE AGENCIES hereby amend Paragraph II. 4 (Duties of the Task Force) of the Task Force Agreement to include the following tasks to be funded by the TASK FORCE AGENCIES and authorize the Task Force Administrator to conduct such tasks.

d. Conduct Santa Ana River (SAR) Wasteload Allocations and other related studies

Hire a consultant to perform updates to the SAR Wasteload Allocation Report, work with the RWQCB staff and TASK FORCE AGENCIES on appropriate model runs to be used for new RWQCB Basin Plan Amendments for the SAR Wasteload Allocation and provide appropriate input for new Basin Plan Amendment language as needed. Additional studies may also be conducted to support the purposes of the TASK FORCE AGENCIES as directed by a consensus of the TASK FORCE AGENCIES.

Except as otherwise expressly amended herein, all of the terms, conditions, and provisions of the AGREEMENT shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the dates set forth below.

**CITY OF BEAUMONT**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Mayor

DATE \_\_\_\_\_

BY \_\_\_\_\_  
City Clerk

**CHINO BASIN WATERMASTER**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
President

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Secretary

**COLTON/SAN BERNARDINO REGIONAL  
TERTIARY TREATMENT AND WASTEWATER  
RECLAMATION AUTHORITY**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
President

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Secretary

**CITY OF CORONA**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
DWP General Manager

DATE \_\_\_\_\_

BY \_\_\_\_\_  
City Clerk

**EASTERN MUNICIPAL WATER DISTRICT**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
President

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Secretary

**ELSINORE VALLEY MUNICIPAL WATER DISTRICT**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
President

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Secretary

**INLAND EMPIRE UTILITIES AGENCY**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary

**IRVINE RANCH WATER DISTRICT**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary

**JURUPA COMMUNITY SERVICES DISTRICT**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President, Board of Directors

**ORANGE COUNTY WATER DISTRICT**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary

**CITY OF RIALTO**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Mayor

DATE \_\_\_\_\_

BY \_\_\_\_\_  
City Clerk

**CITY OF RIVERSIDE**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Mayor

DATE \_\_\_\_\_

BY \_\_\_\_\_  
City Clerk

**CITY OF REDLANDS**

DATE \_\_\_\_\_

BY \_\_\_\_\_  
Mayor

DATE \_\_\_\_\_

BY \_\_\_\_\_  
City Clerk

**SAN TIMOTEO WATERSHED MANAGEMENT  
AUTHORITY**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary

**SANTA ANA WATERSHED PROJECT AUTHORITY**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Chair

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary-Treasurer

**WESTERN RIVERSIDE COUNTY REGIONAL  
WASTEWATER AUTHORITY**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Chair

DATE \_\_\_\_\_ BY \_\_\_\_\_  
Secretary-Treasurer

**YUCAIPA VALLEY WATER DISTRICT**

DATE \_\_\_\_\_ BY \_\_\_\_\_  
President, Board of Directors





# CHINO BASIN WATERMASTER

## II. BUSINESS ITEM

### B. BUDGET TRANSFER

Budget Transfer Request T-10-05-10 relating to Watermaster Legal Fees, OBMP Engineering Services and MZ-1 Ground Level Monitoring





# CHINO BASIN WATERMASTER

9641 San Bernardino Road, Rancho Cucamonga, Ca 91730  
Tel: 909.484.3888 Fax: 909.484.3890 www.cbwm.org

**KENNETH R. MANNING**  
Chief Executive Officer

## STAFF REPORT

**DATE:** May 27, 2010  
**TO:** Board Members  
**SUBJECT:** Budget Transfer T-10-05-01

### SUMMARY

**Issue – Budget transfer request for accounts relating to Watermaster Legal Fees, OBMP Engineering Services and MZ-1 Ground Level Monitoring.**

**Recommendation – Approve the Budget Transfer Form T-10-05-01 as requested.**

**Financial Impact – None**

### BACKGROUND:

The Watermaster General Counsel budget (account number 6907.3) for FY 2009-2010 is \$595,000. We project that by the end of the fiscal year, the legal budget will be exceeded by approximately \$260,000. The total projected legal expenses, based upon meetings with Brownstein Hyatt Farber Schreck, are projected at \$855,000(see Exhibit A). During FY 2009-2010, there was no contingency reserve in the legal budget. In past years, the budget preference was to allocate or transfer funds as these unexpected issues arose, rather than to budget funds in advance as a contingency. As is customary, several unanticipated and unbudgeted events have occurred. Sequentially these include:

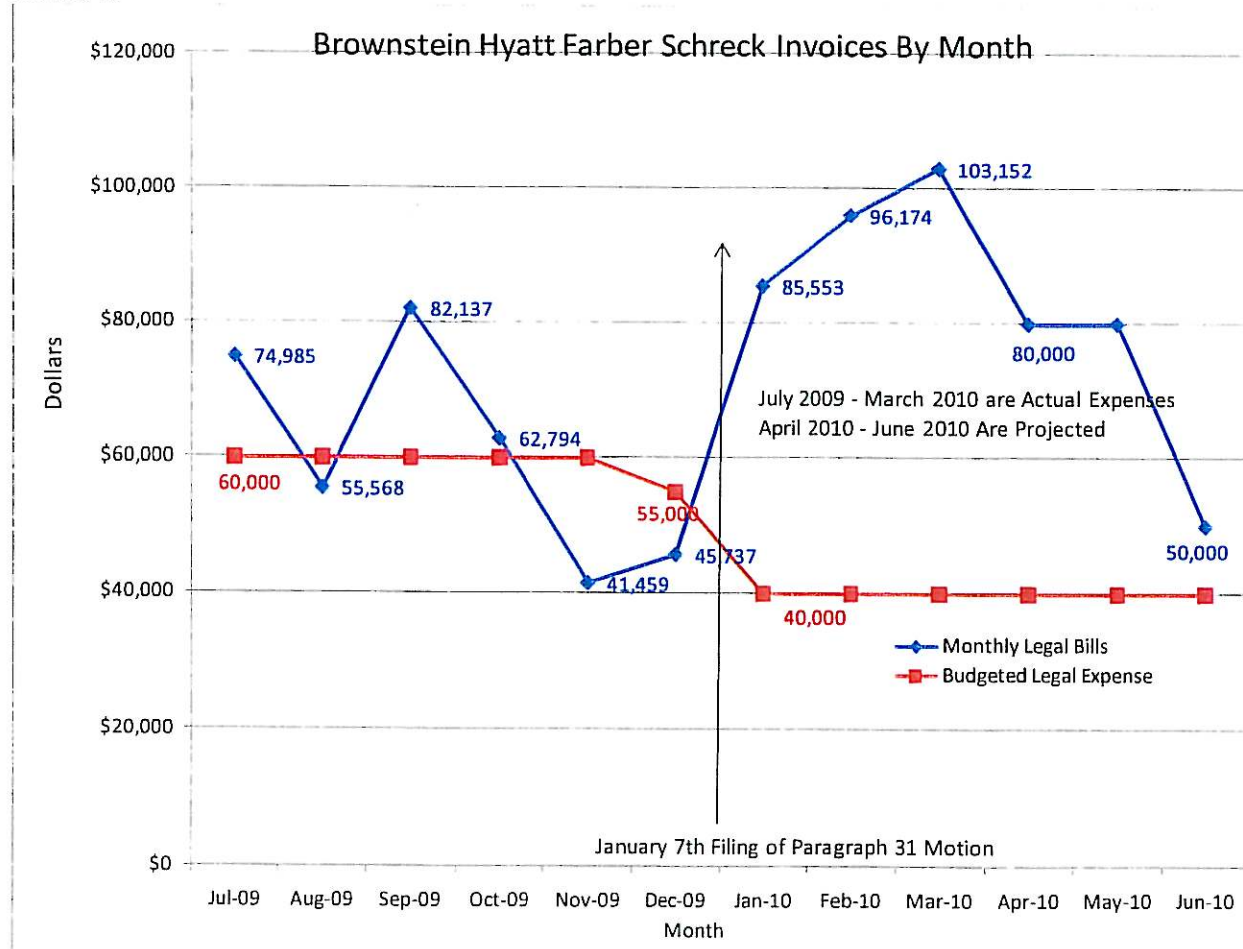
- (1) The auction
- (2) Transition from the previous judge
- (3) Increased activity regarding the Chino Airport Plume
- (4) The Non-Agricultural Pool Paragraph 31 Motion
- (5) The RWQCB ACL Complaint and associated facilitation of desalter expansion

The most significant of these items are the Paragraph 31 Motion and the Auction. The auction was not included in the general counsel budget because the expectation was that costs associated with the auction would be funded from the auction proceeds. The backup plan in the event that the auction did not proceed was to perform a budget transfer. For the months of August through October 2009, legal counsel expenses associated with the auction were in excess of \$150,000. Ultimately, these funds will

not have to be expended again as the template Storage and Recovery Agreement was approved by the Court and all the remaining authorizing instruments will be available to be used in a subsequent auction. Despite this significant unbudgeted cost, until the filing of the Paragraph 31 motion, the prior level of activity in other budget categories suggested that only a modest budget transfer would be necessary, similar in magnitude to the prior transfers in previous years.

Counsel began addressing the issues associated with the Paragraph 31 Motion at the beginning of January, 2010. Legal counsel has responded to numerous letters and information requests, attended meetings, investigated the allegations as requested and the associated level of activity has been significant. In many ways the requests were tantamount to pre-litigation discovery. Moreover, research associated with the Motion has entailed a detailed review of documents and meeting materials spanning the whole of 2009. By the end of March, legal costs associated with the Motion were approximately \$150,000. Our legal counsel estimates that through hearing the 2010 legal costs on this matter will well exceed \$200,000. They believe these costs are reasonable given the requirement that Watermaster has a responsibility to administer the Judgment and to fairly evaluate the claim by any party regarding an improper action by Watermaster. The level of activity was further warranted by the magnitude of the financial risk associated with the contention that Watermaster's acquisition of stored water be set aside and the possibility that one or more parties would escalate the conflict. Costs associated with the Paragraph 31 Motion thus compose the majority of the amount of the legal counsel budget overrun.

Exhibit A:



Concurrently with the legal meetings, during the past few weeks meetings have been held with Wildermuth and Watermaster staff to review the Engineering tasks being performed by outside consultants and determine if any areas exist for budget reductions or possible budget transfers. Upon reviewing the remaining engineering tasks, it was determined that several projects would be under budget, while several other projects would be over budget at fiscal year-end. Watermaster staff has identified approximately \$300,000 of budget transfers which could be used to offset the legal category expenses. These offsets are in the Optimal Basin Management Plan

DISCUSSION:

1. Account group 6906 (Optimum Basin Management Plan). Both Wildermuth and Watermaster staff agree that savings exist in this category as a result of cost savings and work adjustments.

	<u>Budget</u>	<u>Projected</u>	<u>Savings</u>
Grand Totals	\$570,003	\$438,879	(\$131,124)

2. Account group 7107 (Ground Level Monitoring). The reason for the remaining budget of \$168,653 in Account 7107 is that \$183K was allocated for the implementation of the ASR (Aquifer Storage and Recovery) pilot project and the effort was not completed in this fiscal year. Both Wildermuth and Watermaster staff agree that savings exist in this category as a result.

	<u>Budget</u>	<u>Projected</u>	<u>Savings</u>
Grand Totals	\$548,653	\$380,000	(\$168,653)

3. Account group 7108 (Hydraulic Control Monitoring). Both Wildermuth and Watermaster staff agree that savings exist in this category as a result of cost savings and work adjustments.

	<u>Budget</u>	<u>Projected</u>	<u>Savings</u>
Grand Totals	\$553,479	\$520,000	(\$ 33,479)

4. Account 7303 (PE3&5-Water Supply/Desalter). Both Wildermuth and Watermaster staff agree that savings exist in this category as a result of cost savings and work adjustments.

	<u>Budget</u>	<u>Projected</u>	<u>Savings</u>
7303 PE3&5-Engineering-Other	\$72,309	\$62,000	(\$10,309)

5. Account group 7200 (PE2 Comp Recharge Program). Both Wildermuth and Watermaster staff agree that this category will exceed the budget by \$24,212 as a direct result of greater Recharge Master Plan expenses being allocated towards this category.

	<u>Budget</u>	<u>Projected</u>	<u>Add'l Cost</u>
Grand Totals	\$718,650	\$742,862	\$ 24,212

6. Account group 7400 (PE4 Mgmt Plan). Both Wildermuth and Watermaster staff agree that this category will exceed the budget by \$18,720 as a direct result of greater MZ-1 Monitoring expenses being allocated towards this category.

	<u>Budget</u>	<u>Projected</u>	<u>Add'l Cost</u>
Grand Totals	\$81,280	\$100,000	\$18,720

Overall, the cash savings identified by the Watermaster staff is \$343,565 and is recommending the transfers be completed as follows:

Overall Savings Identified from Accounts 6906, 7107, 7108 and 7303:	<u>\$343,565</u>
Transfer to Watermaster Legal Counsel (account 6907.3):	\$300,633
Transfer to Comp Recharge-Engineering Services (account 7202.2):	\$ 24,212
Transfer to PE4-Engineering (account 7402):	<u>\$ 18,720</u>
Grand Total Transfers:	<u>\$343,565</u>

With the proposed transfers between accounts of \$343,565 the approved original budget of \$7,680,788 does not change.

**ACTIONS:**

- May 13, 2010 Appropriative Pool – Approved unanimously
- May 13, 2010 Non-Agricultural Pool – Voted not to approve – City of Ontario voted to approve
- May 13, 2010 Agricultural Pool – Approved unanimously
- May 20, 2010 Advisory Committee – – Approved by majority vote
- May 27, 2010 Watermaster Board –



**CHINO BASIN WATERMASTER  
BUDGET TRANSFERS**

**ATTACHMENT #1a**

Fiscal Year 2009-2010

Transfer # T-10-05-01

To: **All Parties**

From: Joseph S. Joswiak Date: 4-May-10

**Describe reason for the transfer between budget categories here:** To transfer funds to cover anticipated cost overages in accounts referenced below.

**Budgetary account reduction**

<i>Line Item Description</i>	<i>Account Number</i>	<i>Current Budget</i>	<i>Proposed Transfer</i>
OBMP Engineering Services-Other	6906	\$ 495,003	\$ (80,003)
CEQA	6906.4	\$ 75,000	\$ (56,486)
Ground Level-SAR Imagery	7107.3	\$ 95,000	\$ (95,000)
Ground Level-Contracted Services	7107.6	\$ 209,526	\$ (209,526)
Hydraulic Control-Lab Services	7108.4	\$ 181,933	\$ (181,933)
Hydraulic Control-Contracted Services	7108.9	\$ 4,700	\$ (4,700)
PE3&5-Engineering-Other	7303	\$ 72,309	\$ (10,309)
Comp Recharge-Engineering Other	7202	\$ 158,225	\$ (44,658)
Comp Recharge-Contracted Services	7203	\$ 22,000	\$ (22,000)
Comp Recharge-Supplies	7204	\$ 16,000	\$ (15,519)
PE4-Contracted Services	7203	\$ 10,000	\$ (10,000)

**Budgetary account addition**

Santa Ana River TMDL	6906.6	\$ -	\$ 5,365
Ground Level Engineering	7107.2	\$ 244,127	\$ 135,873
Hydraulic Control-Engineering	7108.3	\$ 366,846	\$ 153,154
Comp Recharge-Engineering Services	7202.2	\$ -	\$ 68,389
Comp Recharge-Temp Services	7201.1	\$ 522,425	\$ 24,212
Comp Recharge-Temp Services	7201.1	\$ 522,425	\$ 13,788
PE4-Engineering	7402	\$ 71,280	\$ 28,720
Watermaster Legal Counsel	6907.3	\$ 595,000	\$ 300,633
			<b>\$ -</b>

Should be zero

**Transfer Procedure**

- Staff brings the transfer request to the Appropriate Pool for information purposes if the transfer is under \$25,000. Transfers over \$25,000 within the same budget category require Pools, Advisory Committee and Board approval. Transfers between budget categories, regardless of amount must be approved by the Pools, Advisory Committee and Board
- Once the form has been completed by the CFO, and approved by the board if required, the Chief Financial Officer will prepare and process the budget transfer in the accounting system.
- A log will be maintained by the CFO detailing the transfer.
- A fiscal year file will also be kept to hold all budget amendment forms for auditor review.

**Finance Use Only**

Date Board Approved \_\_\_\_\_  
 Finance Log # \_\_\_\_\_  
 Date Posted \_\_\_\_\_  
 Posted By \_\_\_\_\_  
 Approved by \_\_\_\_\_  
 Date approved \_\_\_\_\_

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION



# CHINO BASIN WATERMASTER

## IV. INFORMATION

### 1. Newspaper Articles





# Panel aims to retain more water

## New basin plan places priority on capturing runoff

By Mediha Fejzagic  
DiMartino  
Staff Writer

RANCHO CUCAMONGA — Looking for ways to cope with the region's growing demand for water, the Chino Basin Watermaster board has put together a plan of action that prioritizes reliance on local resources.

"Local projects are the future of the Chino Basin, not the imported water," said Ken Manning, the water authority's CEO. "We need to be able to retain large sums of (storm runoff) quickly. We have to be able to gorge and not just sip."

The Watermaster board — which oversees collecting storm runoff and sinking it into the ground for future use in an area from Pomona to Fontana and from the mountains to the Santa Ana River — plans to unveil its Recharge Master Plan today at a workshop at the Goldy S. Lewis Community Center.

The plan, if fully implemented, would increase the groundwater supply by 25 percent at a cost of \$50 million to \$150 million, Manning said.

"It's our road map for the next 10 years," said Richard Atwater, general manager of the Inland Empire Utilities Agency, based in Chino.



Gordon Treweek, a project engineer for Chino Basin Watermaster, holds a piece of dried clay and silt he picked up from the bottom of the lower Day Creek basin near Rancho Cucamonga on Wednesday.

Mediha Fejzagic  
DiMartino  
Staff Photographer

Short-term plans include converting a half-dozen flood control basins into "internal dams" so that they can retain more water during wet months.

Currently, the flood control basins are designed solely as safety measures. The conversion would add inflatable rubber dams that would allow for retention of water as well as preventing floods.

The San Bernardino County Flood Control District "used to focus on getting the water off property as quickly as possible," said Robert DeLoach, general manager of Cucamonga Valley Water District.

"They are letting us use their basins to recharge storm water."

Long-term projects, to be implemented in the next five to 10 years, include renova-

tion of Lower Cucamonga Basin in south Ontario.

"It would be an above-ground, temporary holding place that would catch water before it gets to Prado (Dam)," Manning said. "It's not a lake, but it could hold 10,000 to 15,000 acre-feet of water."

An acre-foot equals 325,851 gallons and is enough water to supply two typical households for a year.

The Chino Basin project hinges on the passage of an \$11.1 billion bond measure on the November ballot.

"A combination of state and federal funds could cover 50 percent of the cost," Manning said.

But there is a chance that Chino Basin Watermaster will not get any of the funds, DeLoach said.

"Ultimately, the cost will be

borne by the ratepayers if we don't find outside money to help pay for it," he said. "If we do (secure it), customers will pay nothing more or just a couple of pennies."

And, keeping in mind the county's growing population and the scarcity of very expensive water imported from Northern California — to implement the plan is not a choice but a must, DeLoach said.

If nothing is done, in 10 years customers will have to pay higher rates for imported water as well as facing mandatory conservation.

"We will not be able to continue to pump as we used to," he said. "Our entire groundwater basin depends on the success of this project and the accomplishment of everything that is suggested in the Recharge Master Plan."

THIS PAGE  
HAS  
INTENTIONALLY  
BEEN LEFT  
BLANK  
FOR PAGINATION

## Rialto water district tops on grant list

Josh Dulaney, Staff Writer

Created: 04/13/2010 03:22:41 PM PDT

RIALTO - A groundwater treatment plan proposed by the West Valley Water District has scored the highest on a list of projects seeking state funding.

The water district's \$10 million grant proposal submitted to the state Department of Water Resources is a wellhead treatment project that uses an eco-friendly process to remove contaminants from drinking water.

Officials with the water district are calling it a significant step forward in recovering water resources that have been contaminated by industrial sources for decades.

"Since we opened our doors, we have fought to ensure the safety of our community's water supply," said Anthony "Butch" Araiza, general manager of the water district. "While lawyers for other entities sort out the blame, we have to do what is most important for our customers - solve the problem."

The department has released a preliminary list of nine qualifying projects out of 100 submitted by agencies throughout the state vying for \$50 million in funding under state Proposition 84.

The proposition - known as the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act - was passed by California voters in November 2006.

The state is expected to announce the grant recipients later this month.

"We're fairly confident because they said our application is one of the very best they've seen," Araiza said.

The water district's project uses micro-organisms to destroy perchlorate and other contaminants in drinking water.

Perchlorate has been discovered in drinking water throughout areas of Southern California and has been used for agricultural, industrial and military purposes.

Some scientists say it can impair thyroid function and cause developmental problems in infants.

The project will allow the water district and the city of Rialto to restore two wells that had been taken out of service because of perchlorate and other contaminants.

The total estimated cost is about \$20 million.

Araiza said the Department of Defense has put in about \$3 million for the project, and the state Water Resources Control Board has kicked in about \$2.5 million.

Advertisement

**Kodak**

IF YOU'RE NOT PRINTING ON A KODAK ESP ALL-IN-ONE PRINTER, CHANCES ARE  
**YOU'RE PAYING TOO MUCH FOR INK.**

FIND OUT HOW MUCH YOU'RE OVERPAYING FOR INK AT [PRINTANDPROSPER.COM](http://PRINTANDPROSPER.COM)

Print Powered By  Epson Dynamics

He said the project could be up and running as early as next year.

Advertisement



Get The Best Deal in TV Entertainment

Packages starting at \$ **24<sup>99</sup>** **MO**  
FOR 12 MONTHS

📞 Call NOW: (888) 206-3033

🌐 Visit: [dishnetwork.com/bestdeal](http://dishnetwork.com/bestdeal)

Print Powered By  Format Dynamics

dailybulletin.com

## Panel aims to retain more water

**New basin plan places priority on capturing runoff**

Mediha Fejzagic DiMartino, Staff Writer

Created: 04/20/2010 04:14:54 PM PDT

RANCHO CUCAMONGA - Looking for ways to cope with the region's growing demand for water, the Chino Basin Watermaster board has put together a plan of action that prioritizes reliance on local resources.

"Local projects are the future of the Chino Basin, not the imported water," said Ken Manning, the water authority's CEO. "We need to be able to retain large sums of (storm runoff) quickly. We have to be able to gorge and not just sip."

The Watermaster board - which oversees collecting storm runoff and sinking it into the ground for future use in an area from Pomona to Fontana and from the mountains to the Santa Ana River - plans to unveil its Recharge Master Plan today at a workshop at the Goldy S. Lewis Community Center.

The plan, if fully implemented, would increase the groundwater supply by 25

percent at a cost of \$50 million to \$150 million, Manning said.

"It's our road map for the next 10 years," said Richard Atwater, general manager of the Inland Empire Utilities Agency, based in Chino.

Short-term plans include converting a half-dozen flood control basins into "internal dams" so that they can retain more water during wet months.

Currently, the flood control basins are designed solely as safety measures. The conversion would add inflatable rubber dams that would allow for retention of water as well as preventing floods.

The San Bernardino County Flood Control District "used to focus on getting the water off property as quickly as possible," said Robert DeLoach, general manager of Cucamonga Valley Water District.

"They are letting us use their basins to recharge storm water."

Long-term projects, to be implemented in the next five to 10 years, include renovation of Lower Cucamonga Basin in south Ontario.


"It would be an above-ground, temporary


Advertisement

**Kodak**

IF YOU'RE NOT PRINTING ON A KODAK ESP ALL-IN-ONE PRINTER, CHANCES ARE  
**YOU'RE PAYING TOO MUCH FOR INK.**

FIND OUT HOW MUCH YOU'RE OVERPAYING FOR INK AT [PRINT AND PROSPER.COM](http://PRINTANDPROSPER.COM)

Print Powered By 





holding place that would catch water before it gets to Prado (Dam)," Manning said. "It's not a lake, but it could hold 10,000 to 15,000 acre-feet of water."

An acre-foot equals 325,851 gallons and is enough water to supply two typical households for a year.

The Chino Basin project hinges on the passage of an \$11.1 billion bond measure on the November ballot.

"A combination of state and federal funds could cover 50 percent of the cost," Manning said.

But there is a chance that Chino Basin Watermaster will not get any of the funds, DeLoach said.

"Ultimately, the cost will be borne by the ratepayers if we don't find outside money to help pay for it," he said. "If we do (secure it), customers will pay nothing more or just a couple of pennies."

And, keeping in mind the county's growing population and the scarcity of very expensive water imported from Northern California - to implement the plan is not a choice but a must, DeLoach said.

If nothing is done, in 10 years customers will have to pay higher rates for imported water as well as facing mandatory conservation.

"We will not be able to continue to pump as we used to," he said. "Our entire groundwater basin depends on the success of this project and the accomplishment of everything that is suggested in the Recharge Master Plan."

Advertisement



**Get The Best Deal in TV Entertainment**

**Packages starting at \$ 24<sup>99</sup> MO**  
FOR 12 MONTHS

Call NOW: (888) 206-3033

Visit: [dishnetwork.com/bestdeal](http://dishnetwork.com/bestdeal)

Print Powered By

Evolution's